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## BOOK REVIEWS.

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*Colbert's politische und volkswirtschaftliche Grundanschauungen.*

Von DR. GUSTAV HEINRICH HECHT. Freiburg i. B. : 1898.

8vo. pp. v + 69.

THE present monograph was written while Doctor Hecht was a member of the political science seminar of the University of Freiburg, and won the prize granted by the philosophical faculty of Heidelberg for the best monograph on the political foundations of mercantilism as set forth in the letters, instructions, and memoirs of Colbert published by Pierre Clément in 1860-1871. Dr. Hecht supplemented his study of the documents furnished by the publication of M. Clément by an examination of sources in Paris and Strassburg.

The chief result of this investigation may be indicated by the proposition that the so-called mercantilistic practices inaugurated by Colbert were the logical outcome of his political policy. This policy was based upon the assumption that Louis XIV was by divine right an absolute monarch, and that his mission was nothing less than the acquisition of the rulership of the world. The realization of this extravagant aim imposed upon the Minister of Finance a twofold problem: (1) the development of the military and naval resources of France; and (2) the subjugation of the rivals of the Grand Monarque, Spain, Holland, and England. The conditions which confronted Colbert when he undertook the administration of the finances may be briefly described as follows:

The King needed soldiers, ships, and money. The French fleet at that time was insignificant, numbering only from five to six hundred ships while England's fleet numbered from three to four thousand and that of Holland from fifteen to sixteen thousand. For the army a numerous and healthy population was needed. Money was an absolute necessity as a means of procuring and maintaining both army and navy. The sources of income, however, upon which the predecessors of Louis, and he himself up to the date of Colbert's reforms had relied, had been exhausted. The *taille*, the principal direct tax, had long before

drained away every drop of surplus from the peasant class, and even seriously infringed upon the peasants' necessary means of support, with the result that any further increase of this levy was an impossibility. Most of the crown lands had been sold to meet previous exigencies, and the royal credit had been seriously impaired by heavy loans. The need for some shifting of the burdens of taxation and for new sources of revenue was pressing. Industrially France was surpassed by the Netherlands and England. Her agriculture was depressed and her manufactures were undeveloped. Money was very scarce and its circulation was slow and difficult.

How, under these circumstances, to furnish Louis with adequate permanent sources of revenue was Colbert's problem. The experience of his predecessors with the *taille* had taught him that taxes were not to be had for the asking by even an absolute monarch, and that over-taxation would defeat its own ends. It was, therefore, evident to him that the industrial resources of the nation must be developed. The successful experience of Holland taught him the value of commerce and manufactures as means for the promotion of national wealth and the development of naval power. The fostering of manufactures and commerce, therefore, seemed the part of wisdom. Since the King's taxes must be paid in money, and since no more money could be paid than the French people possessed, and since their present possessions were quite inadequate, some means of increasing the supply of the precious metals must be devised. Having no mines of her own it was clear that France must rely upon foreign commerce for her supply, and hence a favorable balance of trade must be secured. Thus one by one the various lines of the mercantile policy developed in Colbert's mind as the best means of solving the financial problems which confronted him. As his scheme developed, he saw that it would assist Louis in his warfare with his rivals directly as well as indirectly. The more of the precious metals he could acquire the less there would be left for them, and the more of the commerce of the world he could absorb the less they would enjoy. To Colbert, therefore, the mercantile policy seemed to be an instrument fitted to build up Louis's strength at the expense of his enemies and rivals and thus uniquely adapted to promote the chief aim of the great monarch's policy.

Dr. Hecht works out in detail the various features of Colbert's scheme, and inspires confidence in his interpretation of the great minister's motives by frequent and detailed references to original docu-

ments and by the display of real insight into the economic conditions of the time. His monograph can be safely recommended to students as a valuable contribution to the history of mercantilism.

WILLIAM A. SCOTT.

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*Über einige Grundfragen der Socialpolitik und der Volkswirtschaftslehre.*

Von GUSTAV SCHMOLLER. Leipzig: Duncker & Humblodt, 1898. 8vo. pp. ix+343.

THE volume reproduces in collected form three well-known essays of various dates: (1) The polemical chapters of Professor Schmoller's controversy with Treitschke (*Über einige Grundfragen des Rechts und der Volkswirtschaft*—1874-5); (2) The essay on the Scope and Method of Economic Science (*Die Volkswirtschaft, die Volkswirtschaftslehre und ihre Methode*—1895), originally written for Conrad's *Handwörterbuch*; and (3) the Inaugural Address of October last, delivered on the occasion of Professor Schmoller's induction into the rectorship at the University of Berlin (*Wechselnde Theorien und feststehende Wahrheiten im Gebiete der Staats- und Socialwissenschaften und die heutige deutsche Volkswirtschaftslehre*—1897). It is notable as indicating the extent and the character of the changes that have passed over the "historical method" during the past twenty-five years. The earlier of the essays gives Professor Schmoller's position at the time when he first came prominently forward as the champion of that method, and its defender against those who spoke for a return to a rehabilitated classicism. It marks the supersession of Roscher's "historico-physiological" by the "historical" method, through discontinuing, or at least discountenancing, the use of the physiological analogy in economic theory. On the basis of this early controversy with Treitschke, Professor Schmoller got the reputation, not altogether gratuitous, at the hands of his critics, of being spokesman for the view that economic science is, and of right ought to be, without form and void. But if this construction of his views was not altogether gratuitous, still less was it altogether well grounded. The elements of his later methodological work are visible in this early essay, but they are most readily visible and most significant when seen in the light of his later utterances on the same head. Without the consistency and application given to these elements in his later work, it is doubtful if there would have been occasion seriously to qualify the disparaging opinion